



Leveraging Strengths in the MRCOG Region

The 2020 Comprehensive Economic Development Strategy (CEDS)



MID-REGION NEW MEXICO COUNCIL OF GOVERNMENTS

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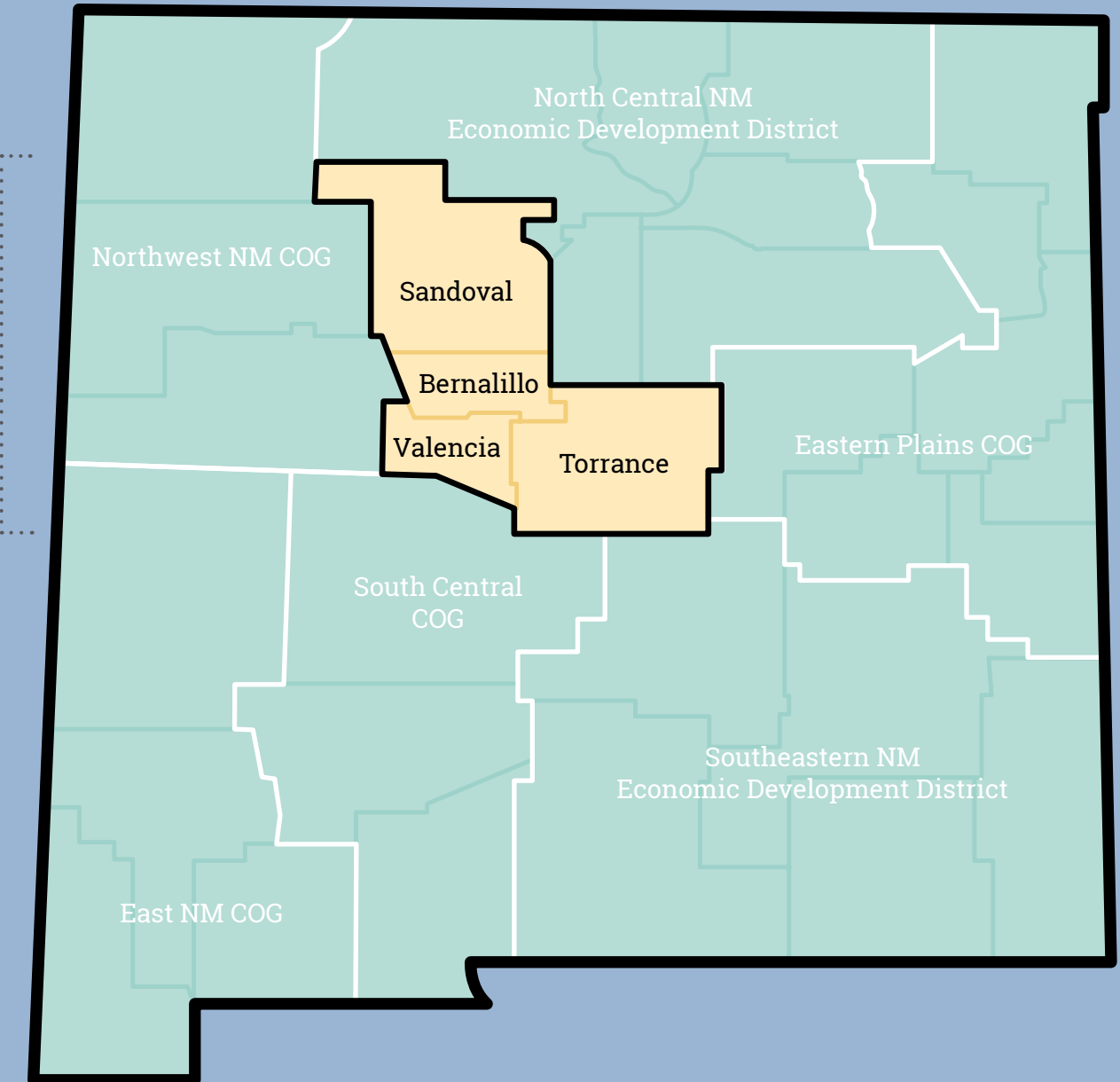
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Map of Mid-Region New Mexico COG

Mid-Region Council of Governments



Welcome to the 2020 Comprehensive Economic Development Strategy (CEDS). The CEDS is a five-year plan for economic growth, highlighting key focus areas that will move the region towards a more resilient economy. The Mid-Region Council of Governments guided the process and included all 32 member communities, numerous economic development partners, and both public and private stakeholders. In total, nearly 200 community leaders came together to look at our unique positioning and drive this region forward.

MRCOG took a new approach in this CEDS by looking at the urban and rural communities separately. Though this region holds the largest concentration of population in the state, and most residents live in or in close proximity to metro Albuquerque, many residents still live in very rural communities which require a unique set of economic drivers. Some of the differences are outlined below. This CEDS illustrates issues and strategies appropriate to each community. See pages 11–38.

In addition to honoring urban–rural differences, this CEDS identifies unique strengths that emerged in the SWOT exercise and turns them into actionable economic development strategies. For example, access to open spaces and a high concentration of federal research & development could lead to more testing of Artificial Intelligence systems or Autonomous Vehicles, or could provide opportunities in the Aerospace field. Abundant sun, and access to open spaces and technology leads not only to renewable energy (wind and solar), but also to new outdoor recreation opportunities. New Aerospace efforts, and a focus on Agriculture supports new crop yield technology. For these and other cross-sector strategies that leverage our strengths, see pages 39–46.

Rural: *The economic conditions of rural places are very different, and often worse than, urban America. Capital doesn’t flow to rural projects as quickly as urban projects, jobs are scarce, and rural infrastructure often lags behind urban projects, further inhibiting business growth. To address this imbalance, rural community members came together to identify strategies that were uniquely rural and uniquely New Mexican. Strategies primarily revolved around five topic areas: Agriculture, Renewable Energy, Health Care, Entrepreneurship, and Outdoor Recreation.*

Urban: *From the metro communities, MRCOG heard about innovation and advancement occurring in the region’s urban centers spurred on by research and development at Sandia National Labs, the University of New Mexico, and new programming at Intel. The discussion revealed how the cultural economy is thriving due to film and production work, local food, and a robust arts community. And, how health care, as the largest growth sector, provides many opportunities in urban areas.*

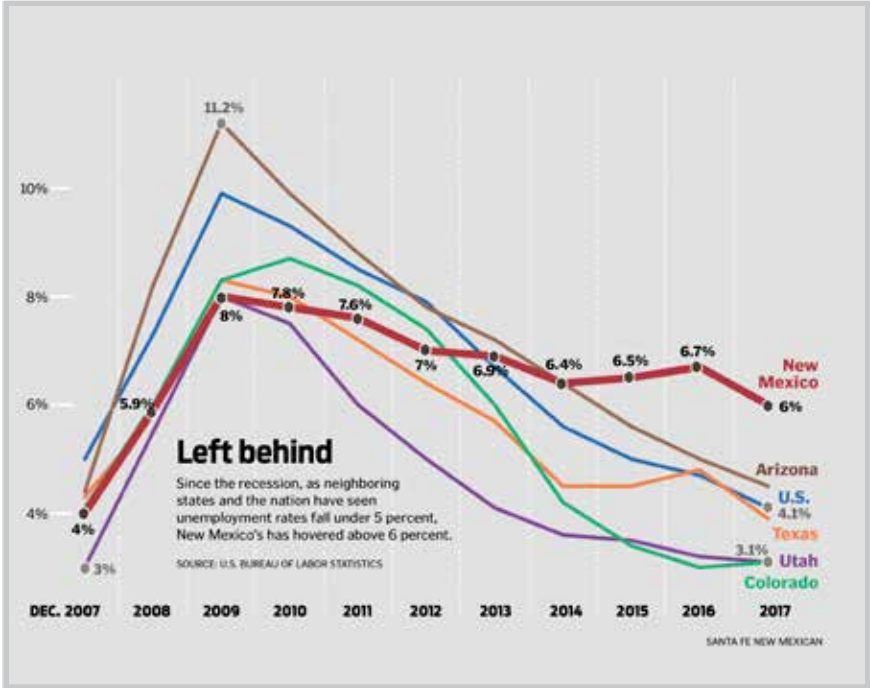
Economic development planning — as implemented through the CEDS — is not only a cornerstone of the U.S. Economic Development Administration’s (EDA) programs, but successfully serves as a means to engage community leaders, leverage the involvement of the private sector, and establish a strategic blueprint for regional collaboration. As a requirement with the U.S. Economic Development Administration (EDA), the MRCOG agrees to develop and maintain the CEDS at least every five years. The CEDS allows the EDA to measure a grant application’s fit and competitiveness, and whether it advances the goals set by the community.

EDA Projects: Over the last ten years, the MRCOG has been able to leverage nearly \$13 million of EDA funds towards projects in this region (see list of EDA projects on page 3).

Year	Recipient	EDA Assistance	Project
2010	Santo Domingo Pueblo	\$1,000,000	Revitalizing the Domingo Trading Post
2011	Nat’l Dance Institute of New Mexico and Bernalillo County	\$1,500,000	Hiland Theatre Economic Revitalization
2011	NM Community Capital	\$750,000	Entrepreneurial Training to Tribal Communities
2012	Keshet	\$1,000,000	Keshet Ideas and Innovation Center
2013	UNM/STC	\$1,500,000	Innovate ABQ
2014	Santo Domingo Pueblo	\$500,000	Finalize the Domingo Trading Post
2014	ACCION	\$270,000	Presto Loan program
2016	First Choice Community Healthcare	\$1,000,000	Workforce Training Center at South Valley Health Commons
2017	Innovate ABQ	\$1,000,000	Public/private bioscience laboratory
2018	Partnership for Community Action	\$1,000,000	Manufacturing facility & Social Enterprise Center
2018	Village of Los Lunas	\$1,300,000	Water utility extension for rail-served industrial development
2018	University of New Mexico	\$564,250	5-Yr. University Center Grant to extend the Innovation Academy to the branch campuses
2018	WESST	\$250,000	Program extension funds for rural New Mexico
2018	New Mexico Angels	\$300,000	Access to Capital and Seed Fund Expansion
2019	Indian Pueblo Cultural Center	\$1,000,000	Indian Pueblo Opportunity Center
2019	Central New Mexico Community College	\$295,375	ABQid Seed Fund

New Mexico was hard hit by the national recession, only it happened in 2010 (two or three years after it hit the rest of the nation) and lasted until 2017. At the time of the 2015 CEDS, New Mexico was still getting its feet on the ground and didn't see a lot of noticeable economic activity until late 2018. Buoyed by an increase in oil and gas extraction, the state's revenues saw an uptick. However, personal income growth was still near the bottom as late as October 2018 and Forbes ranked New Mexico in the bottom six states overall during that time due to a weak labor supply, stagnant income and job growth, and overall dim economic climate.

The demographics of the region have changed significantly in the last decade. The region has seen a loss of educated professionals, millennials, and a hastening of out-migration. The population projection has been modified from reaching a million people in 2015 to now looking to 2025 for the million-person mark.



Source: New Mexico's lost decade: State mired in economic problems since Great Recession. By Thom Cole, The New Mexican Feb 3, 2018

New Mexico (red line in chart above) continued to lag behind its neighbors with unemployment hovering above 6% until well into 2017. Nearly every neighboring state has unemployment rates today that are at or lower than prerecession levels. New Mexico's economy, while benefiting but dependent on oil and gas revenues, is still catching up.

Today, Albuquerque's unemployment rate is 4.6% (still higher than the National rate of 3.7%). Job growth in the Abq metro area is 3.3% in 2019 due in large part to new jobs in downtown Albuquerque in film production, technology production at Intel, and health service jobs throughout the metro area. Sandia National Labs is hiring 1900 jobs (1,100 net new jobs) in the defense sector; Netflix and NBCUniversal have committed to locating in the metro area and hiring 1300 jobs in the film and production sector. Wages too are on the rise, increasing 3.4% over the last year. However, average wages still lag those in the nation.

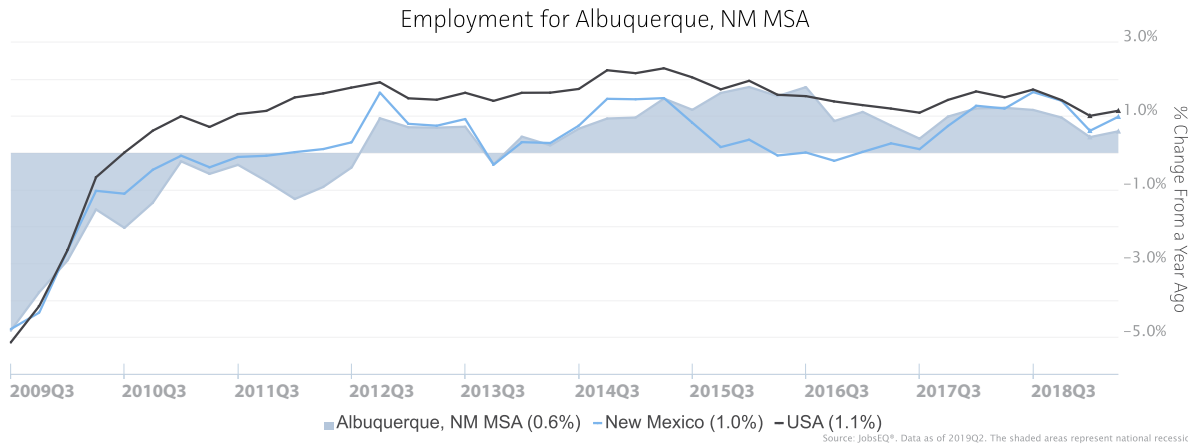
Category	Current Employment	Average Annual Wage	Avg Annual Growth Rate (past 5 years)	Location Quotient
Agriculture/Food Manufacturing	4,007	\$26,470	6.1%	2.24
Aviation	411	\$122,645	-7.5%	0.38
Alt. Energy/Environmental Tech.	980	\$58,258	0.8%	2.61
Film/Art/Entertainment	4,496	\$27,991	-0.3%	1.85
Health	67,703	\$50,392	2.8%	1.58
Information Technology	8,132	\$92,639	-0.4%	1.92
Manufacturing	7,484	\$44,638	4.7%	1.54
Science and Technology	13,883	\$100,986	3.5%	10.25
Tourism	11,895	\$27,984	3.2%	1.89

Source: Jobs EQ, Data as of 2018 Q4 for the Albuquerque Metropolitan Statistical Area

*High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average.

Employment Trends

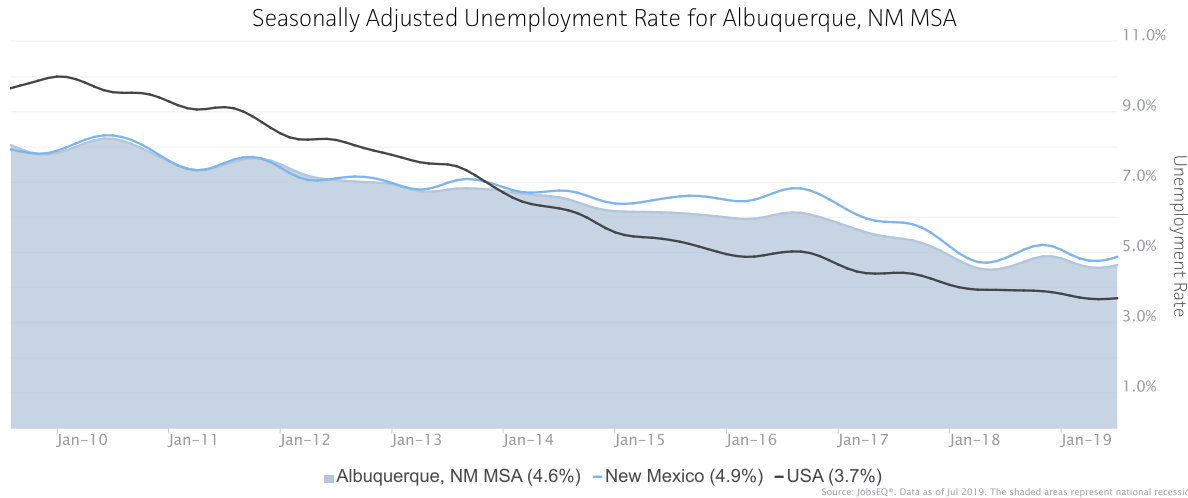
As of 2019 Q2, total employment for the Albuquerque, NM MSA was 403,440 (based on a four-quarter moving average). Over the year ending 2019 Q2, employment increased 0.6% in the region.



Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2018 Q4 with preliminary estimates updated to 2019 Q2.

Unemployment Rate

The seasonally adjusted unemployment rate for the Albuquerque, NM MSA was 4.6% as of July 2019. The regional unemployment rate was higher than the national rate of 3.7%. One year earlier, in July 2018, the unemployment rate in the Albuquerque, NM MSA was 4.6%.

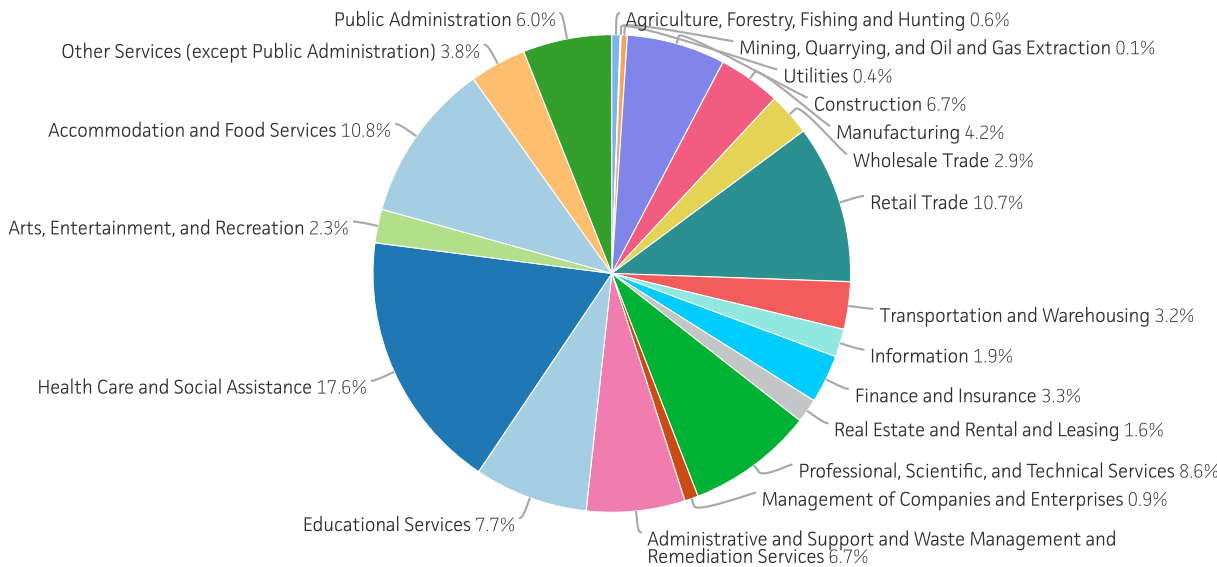


Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2018 Q4 with preliminary estimates updated to 2019 Q2.

Industry Snapshot

The largest sector in the Albuquerque, NM MSA is Health Care and Social Assistance, employing 71,161 workers. The next-largest sectors in the region are Accommodation and Food Services (43,656 workers) and Retail Trade (43,292). High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average. The sectors with the largest LQs in the region are Professional, Scientific, and Technical Services (LQ = 1.28), Public Administration (1.28), and Health Care and Social Assistance (1.23).

Total Workers for Albuquerque, NM MSA by Industry



Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2018Q4 with preliminary estimates updated to 2019Q2.

Sectors in the Albuquerque, NM MSA with the highest average wages per worker are Professional, Scientific, and Technical Services (\$81,694), Utilities (\$74,658), and Management of Companies and Enterprises (\$73,713). Regional sectors with the best job growth (or most moderate job losses) over the last 5 years are Health Care and Social Assistance (+7,085 jobs), Accommodation and Food Services (+4,277), and Construction (+3,880).

Over the next 1 year, employment in the Albuquerque, NM MSA is projected to expand by 920 jobs. The fastest growing sector in the region is expected to be Health Care and Social Assistance with a +1.4% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Health Care and Social Assistance (+1,020 jobs), Professional, Scientific, and Technical Services (+189), and Construction (+132).

Strengths

- Access to people, leaders—high social capital
- Access to capital (urban)
- Available workforce
- Existing foundations in arts, local foods, tourism
- Government incentives
- Low cost of living
- IP & expertise from Labs, universities
- Land — abundant, open, low cost
- Low crime rates (rural)
- Multicultural/Spanish speakers
- Native American communities
- Quality of life
- Scenic beauty /mountains/Great weather
- Low cost of renewables
- Smaller K-12 class sizes
- Strong sense of community, high social capital
- Existing foundations in cybersecurity, arts, film/media

Weaknesses

- Reliance on federal government
- Access to / lack of medical services (rural)
- Crime (urban)
- Drug problems/acceptance
- Few buildings for businesses/certified sites
- Poor access to nutritious foods/food deserts
- Lack of broadband
- Underperforming schools
- Mindsets – resistance to change, slow to adopt new ideas, risk averse
- Gross receipts tax structure
- Small private sector
- Poor transportation infrastructure
- Region lacks an identity/poor image
- Shortage of capital for businesses (rural)
- Lack of middle management to executive level workforce
- Transportation network needs improvement
- Small local venture capital pool

Opportunities

- Access to Labs IP/commercialization
- Few natural disasters
- Remote work/Distance employment
- Walkable, bikeable communities
- Industry 4.0 (robotics, AI, and the Internet of Things)
- Growing entrepreneurial ecosystem
- Increased demand for health services
- Talent pool/available workforce
- Remote work/Distance employment
- Potential to attract retirees
- Federal agencies — jobs, IP, & procurement
- Natural resources
- Educated millennials committed to the region
- All emerging sectors in this CEDS

Threats

- Federal government contraction
- Out-migration/loss of talent
- Lack of unified support for NM industries
- Boomer retirements/workforce decline
- Lack availability of healthcare (rural)
- Metro-centricity of services
- Opposition to transmission lines for renewables
- Poor no broadband
- Poor transportation infrastructure
- Loss of population/brain drain
- Disconnect between local efforts and state legislature
- Drought



Regional strengths include great weather, high social capital, foundations in local foods, and quality of life.

Urban



AEROSPACE

Low-earth orbiting satellite manufacturing and testing; aviation servicing; components; gliding; control systems; drone technology development and testing.



FILM / ARTS & ENTERTAINMENT

Film production, post production, digital media, artisan manufacturing, fine arts, dance, and theater arts.



INFORMATION TECHNOLOGY

Systems development, design, programming, coding, communication/electronic devices, digital media, and cyber security.



MANUFACTURING, ADVANCED MANUFACTURING, ASSEMBLY & LOGISTICS

With the proximity to air, freight rail and interstate highway, the region is strategically located to be a site for manufacturing, assembly or transport and distribution of electronics, food, pharmaceuticals, medical devices, pipes, aircraft, etc.



SCIENCE & TECHNOLOGY

Including research and development, advanced environmental technologies, biosciences, micro-systems manufacturing, nano-technology, instruments and control systems, optics and photonics, and emerging technologies.

Urban & Rural

AGRICULTURE & VALUE-ADDED FOODS

Farming and ranching, value-added production using locally- or regionally-sourced ingredients/supply chain, for increased exports or sales to local consumer markets.



ENERGY / RENEWABLE ENERGY

Solar and wind energy, biomass, deployment of electricity through smart grid technology, water purification, desalination, water technology deployment, etc.



ENTREPRENEURSHIP

Small business start-ups, technology maturation and commercialization, business accelerators and incubators, maker spaces, etc.



HEALTH

Health care delivery, pharmaceutical research, home healthcare services, and veterans' health services.



TOURISM / OUTDOOR RECREATION

Visitor-related activities including conventions, cultural tourism, agritourism, ecotourism, adventure tourism, and outdoor recreation..





AEROSPACE

The global space market is growing by an unprecedented level primarily due to a change in the industry from being driven by government to new private sector involvement from companies like Space X, Blue Origin, and Virgin Galactic. These companies are driving innovation and new business opportunities in the industry through new ideas and new private investment. And while New Mexico has already had a foothold in the aerospace industry through work out of the Air Force Research Lab among other public research institutions, it now has an opportunity to advance satellite manufacturing, software components and other technology innovations from both the public and private sectors.

What is driving this? Advancements in technology, photo imaging, and new, low cost satellites are enabling the private sector to enter the space sector. According to a New York Times article in January 2019, "...a \$3 million satellite that weighs less than 10 pounds can capture significantly sharper images than a \$300 million, 900-pound satellite built in the late 1990s." (NYT "Businesses Will Not Be Able to Hide: Spy Satellites May Give Edge From Above", Cade Metz Jan 24, 2019). This not only means better images, but also better data. New companies that might have otherwise been left out of the space industry are now able to send satellites into orbit to collect data.

Over 200 space industry stakeholders came together recently to create an association, [New Space New Mexico](#) to advance economic development in the Aerospace field. The association recently published a report documenting the opportunities in the industry—which includes furthering scientific research as well as developing, providing, and using space-related products such as, ground stations, launch vehicles, and satellites, navigation equipment, satellite phones, and meteorological services, among many other applications.

Currently there are over 60 companies doing business in New Mexico with a space-related mission. These include Descartes Labs, Solstar, and Virgin Galactic, among others. Other assets include Spaceport America, and three Air Force organizations: The Air Force Research Lab (AFRL), Space and Missiles Center (SMC/AD), and Space Rapid Capabilities Office (Space RCO). Those three agencies combined have an annual budget of \$900M. Other stakeholders and contributors include Sandia National Laboratories, Los Alamos National Lab, the research universities in New Mexico, White Sands Missile Range, NASA Johnson Space Center at White Sands, among others.

In March of 2019, local aerospace engineering company LoadPath, secured a \$15M contract with AFRL to help advance Space Structures, and thermal systems, among other duties. The work of LoadPath will help the growth of the aerospace industry in Albuquerque and the state.

Urban	Aerospace
<i>Strategies for doing this?</i>	<ul style="list-style-type: none">• Support New Space NM• Support Spaceport NM• Showcase our current efforts and development on the national stage• Develop training and education programs to support the industry• Inform companies of the tax deductions for aircraft (sales and manufacture) and the USAF space program
<i>How would we know if we were successful?</i>	<ul style="list-style-type: none">• Job creation• Industry attraction• Growing the industry support companies• Spaceport is nationally recognized• More training and training facilities available
<i>What are the key metrics?</i>	
<i>Who are the catalysts?</i>	<ul style="list-style-type: none">• New Space New Mexico; Air Force Research Laboratory (AFRL); State and local government; Educational institutions; and Industry
<i>Who should be accountable for this?</i>	
<i>How do we build resilience in this focus area?</i>	<ul style="list-style-type: none">• Infrastructure development• Potential incentives• R&D connected to the industry



In addition to creating new opportunities for above and below the line jobs, new film projects are looking to contribute to the local economy up to \$1.5 billion over the next 10 years in direct production spending.



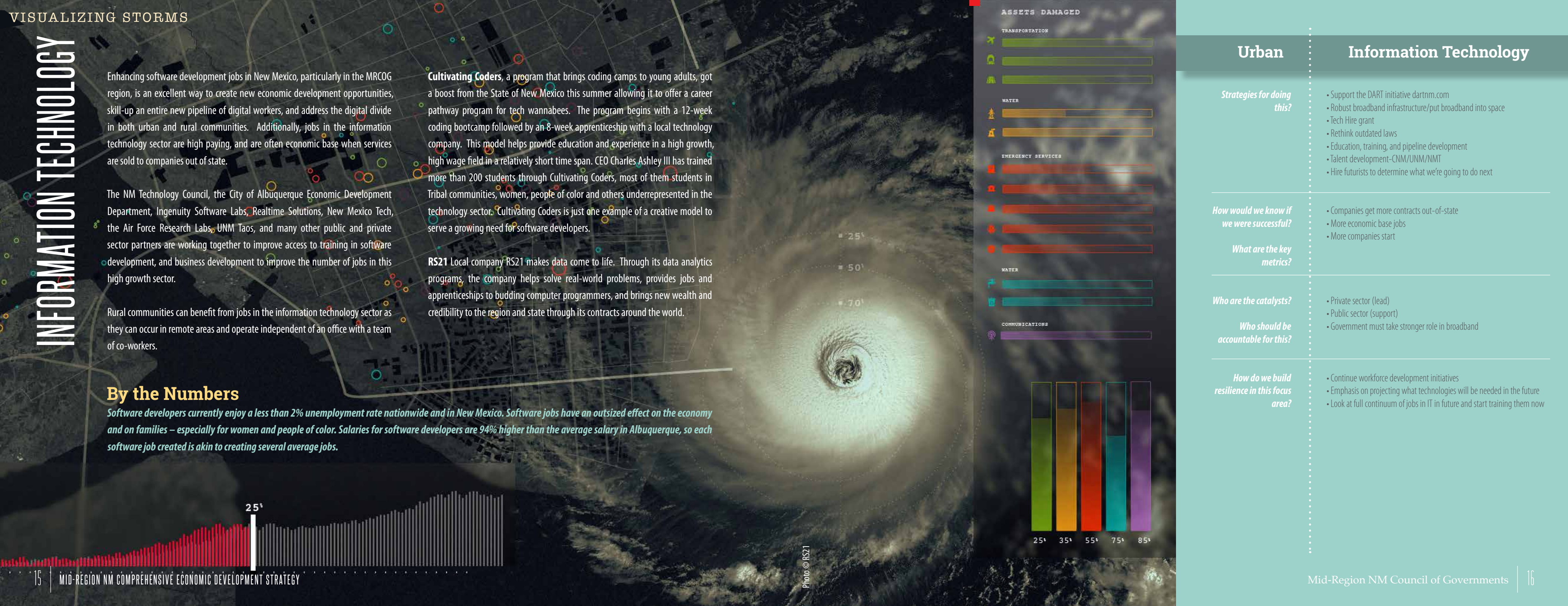
Arts and cultural industries in New Mexico are deeply rooted in the state's identity. The sector employs 43,031 people, equal to 1 of every 18 jobs in the state (5.5%). More broadly, including persons employed in cultural tourism, art and cultural education, and industries linked to the unique culture and heritage of the state, the arts and cultural industries employ 76,780 persons, equal to nearly one in ten jobs (9.8%).

The most visible, and fastest growing concentration of new jobs in the region is in the film industry. Netflix committed to bringing a content production studio to the area and to create 1,000 production jobs per year. NBCUniversal is locating downtown bringing another 330 jobs. Other key developments in the creative industries include Sony Pictures TV (Better Call Saul); Stage 13; Warner Brothers; and Universal Cable Productions all of which contributed to much of the improved jobs picture.

In addition to the film industry, dance and performance arts are thriving in the Metro region. Numerous studios and production spaces exist, including Keshet Dance Studio which continues to cultivate economic returns from the arts through its incubator, KIIC.

With a location quotient of 1.85, the film arts and entertainment sectors are showing strong employment in the region compared to the national average. Indeed, the sector has proven to be flexible, responsive, and resilient for employers and employees alike. In addition to being an economic base sector, the jobs allow for all levels of participation, and provide opportunities for supplemental income.

Urban	Film / Arts & Entertainment
<i>Strategies for doing this?</i>	<ul style="list-style-type: none"> • Promote the creative economy as economic development • Support investments and incentives in the arts and cultural facilities • Support interdisciplinary curricula for business and creative industries in higher education • Continue to provide film incentives • Recruit digital media, post production, and other components of the film and media sector • Develop film infrastructure, i.e., sound stages and backlots. • Develop a world class performing arts center • Increase access to capital and business training for creative entrepreneurs
<i>How would we know if we were successful?</i>	<ul style="list-style-type: none"> • Jobs, especially for self-employed • Wage increases • Increases in cultural tourism metrics • Revenue increases • New business startups • Attraction of outside capital investment • Number of films made
<i>Who are the catalysts?</i>	<ul style="list-style-type: none"> • Government (state and local) film office; Entrepreneurs; Film industry; Performing arts organizations; UNM School of Fine Arts; micro lenders; Creative Startups; Keshet Ideas and Innovation Community
<i>Who should be accountable for this?</i>	
<i>How do we build resilience in this focus area?</i>	<ul style="list-style-type: none"> • Support services for entrepreneurs and artists, especially healthcare • Create spaces for artisan light manufacturing like maker spaces, workshops, etc. • Assist artisans with business development, marketing, having a web presence, and other tools



Enhancing software development jobs in New Mexico, particularly in the MRCOG region, is an excellent way to create new economic development opportunities, skill-up an entire new pipeline of digital workers, and address the digital divide in both urban and rural communities. Additionally, jobs in the information technology sector are high paying, and are often economic base when services are sold to companies out of state.

The NM Technology Council, the City of Albuquerque Economic Development Department, Ingenuity Software Labs, Realtime Solutions, New Mexico Tech, the Air Force Research Labs, UNM Taos, and many other public and private sector partners are working together to improve access to training in software development, and business development to improve the number of jobs in this high growth sector.

Rural communities can benefit from jobs in the information technology sector as they can occur in remote areas and operate independent of an office with a team of co-workers.

By the Numbers

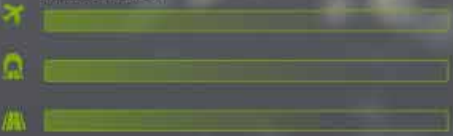
Software developers currently enjoy a less than 2% unemployment rate nationwide and in New Mexico. Software jobs have an outsized effect on the economy and on families – especially for women and people of color. Salaries for software developers are 94% higher than the average salary in Albuquerque, so each software job created is akin to creating several average jobs.

Cultivating Coders, a program that brings coding camps to young adults, got a boost from the State of New Mexico this summer allowing it to offer a career pathway program for tech wannabees. The program begins with a 12-week coding bootcamp followed by an 8-week apprenticeship with a local technology company. This model helps provide education and experience in a high growth, high wage field in a relatively short time span. CEO Charles Ashley III has trained more than 200 students through Cultivating Coders, most of them students in Tribal communities, women, people of color and others underrepresented in the technology sector. Cultivating Coders is just one example of a creative model to serve a growing need for software developers.

RS21 Local company RS21 makes data come to life. Through its data analytics programs, the company helps solve real-world problems, provides jobs and apprenticeships to budding computer programmers, and brings new wealth and credibility to the region and state through its contracts around the world.

ASSETS DAMAGED

TRANSPORTATION



WATER



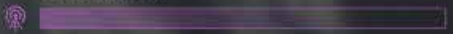
EMERGENCY SERVICES



WATER



COMMUNICATIONS



Urban

Information Technology

Strategies for doing this?

- Support the DART initiative dartnm.com
- Robust broadband infrastructure/put broadband into space
- Tech Hire grant
- Rethink outdated laws
- Education, training, and pipeline development
- Talent development-CNM/UNM/NMT
- Hire futurists to determine what we're going to do next

How would we know if we were successful?

- Companies get more contracts out-of-state
- More economic base jobs
- More companies start

What are the key metrics?

Who are the catalysts?

- Private sector (lead)
- Public sector (support)
- Government must take stronger role in broadband

Who should be accountable for this?

How do we build resilience in this focus area?

- Continue workforce development initiatives
- Emphasis on projecting what technologies will be needed in the future
- Look at full continuum of jobs in IT in future and start training them now

Manufacturing, Advanced Manufacturing, Assembly & Logistics

Manufacturing is the biggest fish to catch, and a sector the region has been wooing for some time. The high economic multiplier, good wages, and jobs with benefits are just some of the reasons for focusing on the manufacturing sector. New Mexico never had a strong manufacturing base, because while the rest of the nation was industrializing and serving a customer base, New Mexico was developing infrastructure to serve military bases, mining activities and agriculture. The relatively small manufacturing base of the state was hit disproportionately hard during the recession and is just now climbing back with some gains in food manufacturing, and computer and electronics manufacturing. The region is trying to diversify its manufactured products and exports so as not to over-rely on one industry.

Part and parcel with manufacturing comes the need to bring in suppliers and export products; in other words, a seamless logistics and freight transportation network. The Transportation and Logistics Hub Study (see www.mrcog-nm.gov) outlines strategies that facilitate freight logistics.

The region has an opportunity to promote itself to manufacturers who want few business disruptions due to severe weather, and who require reliable and inexpensive renewable energy. New Mexico is 28th out of 50 states for total number of disaster declarations since 1952. Albuquerque is one of the top 10 sunniest cities. The region has a low cost of solar and wind energy. All of these factors create an environment ripe for manufacturers who need competitive operations, distribution, and logistics.

Snapshot: Manufacturing employs 17,017 (or just 4% of the workers) in the region with a location quotient of .51. Annual percent growth is -1.3%.



Urban

Manufacturing

Strategies for doing this?

- Identify which manufacturing industry is a good fit for NM
- Follow recommendations from the Transportation and Logistics Hub Study (Food Manufacturing; Aerospace Manufacturing; Phonoics/Optics Manufacturing; Distribution Centers)
- Identify manufacturing and assembly businesses and their suppliers whose customers are in the Mountain west/CA/along BNSF Transcon Line
- Dedicate funds for marketing
- Utilize JTIP and LEDA funds to recruit new businesses to relocate and encourage existing businesses to scale up
- Identify Opportunity Zones and market them to investors
- Connect companies with information about manufacturing, Investment, and high wage tax credits
- Develop a certified sites program that helps manufacturing and others locate in the region
- New bonded warehouses and customs brokers

How would we know if we were successful?

- New business
- New business expansions
- New manufacturing jobs

What are the key metrics?

Who are the catalysts?

Who should be accountable for this?

- Albuquerque Economic Development; Sandoval Economic Alliance, Estancia Valley Economic Development Association; New Mexico Partnership; Manufacturing Extension Partnership; Workforce Connection of Central New Mexico; Albuquerque Sunport; Rail providers and transload operators; ABC Trade Alliance; CNM, UNM, local and state government

How do we build resilience in this focus area?

- Long-term strategy of adequate funding
- Promote the region to manufacturing and supply-chain companies as a low severe weather-disrupting area

Employing nearly 14,000 people and with a location quotient of 10.25, the Science and Technology sector in this region is strong. The sector includes Sandia National Laboratories, the Air Force Research Lab, the University of New Mexico and other public and private research entities. Technology transfer efforts have led to new business ventures, business accelerator programs, license and patenting expertise, and the recruitment and expansion of technology companies.

From providing high wage jobs to attracting fast-growing businesses in the technology sector, this region has an opportunity to leverage this high level of science research into expanded economic development.

Strengths of the sector include biosciences (see below), micro-systems manufacturing, nano-technology, instruments and control systems, optics and photonics, sensing devices, and advanced materials. Two tangible outcomes of the technology research in the region include E-mobility (see below), and opportunities with aerospace (See p. 13).

Biosciences

A strong Research and Development capacity, a strong University Health Science center, and a licensing arm for technology transfer has helped the region develop a robust biosciences cluster. In broad terms biosciences relates to enhancing human health, maintaining the food supply, and safeguarding the environment.

An association of biosciences companies, NMBio, has formed to enhance the biosciences cluster. According to a report by leaders from the industry, biosciences is already contributing to the state's economy with over 700 New Mexico companies affiliated

with at least one segment of the field of biosciences. Approximately 18,000 degrees are awarded each year in New Mexico in fields suited to the biosciences sector. And, five specialized centers and degree programs exist at New Mexico higher education institutions specific to biosciences.

The biotechnology/bioscience industry is made up of six disciplines including Research and Bioinformatics; Testing and Medical Laboratories; Drugs and Pharmaceuticals; Agricultural Feedstock and Chemicals; Medical Devices and Equipment; Bioscience-Related Distribution (Growing the Future, Developing New Mexico's Bioscience Industry, 2016).

E-Mobility

E-mobility encompasses all technologies, products, services, and infrastructure that support and power all electric and hybrid vehicles. E-mobility is the testing and certification of electric vehicles (EVs), development of infrastructure, and research and design of components and batteries. E-mobility is focused on developing efficient and safe offerings that will meet regional emission standards and consumer total cost of ownership (TCO) demands. The Internet of Things (IOT) also plays a role as smart auto systems will be a part of electric vehicles, autonomous vehicles and smart cities.

The E-Mobility opportunity in New Mexico and the region builds on our science and technology strengths, especially deploying optics, photonics and sensor technologies, as well as our strengths in aerospace sectors, cybersecurity, and our wide-open spaces which enable testing and certification.

9.7% of the population is in professional, scientific, technical services vs. 6.7% nationwide.





Photo © SS&TP

Sandia Science & Technology Park

The SS&TP is a 300+ acre master-planned technology community that opened in 1998. Affiliated with Sandia National Laboratories and adjacent to Kirtland Air Force Base, Park companies have easy access to world-class facilities, technologies, scientists, and engineers.

The SS&TP is home to companies ranging from startups to Fortune 500 corporations, a model for public-private partnerships, and bridges technology transfer and supply chain strengths between Sandia and the community.

The SS&TP has benefitted the local economy for over 20 years through job creation, increases in state and local tax revenues, and higher-than-average wages for its employees when compared with the average wage in the Albuquerque metro area.

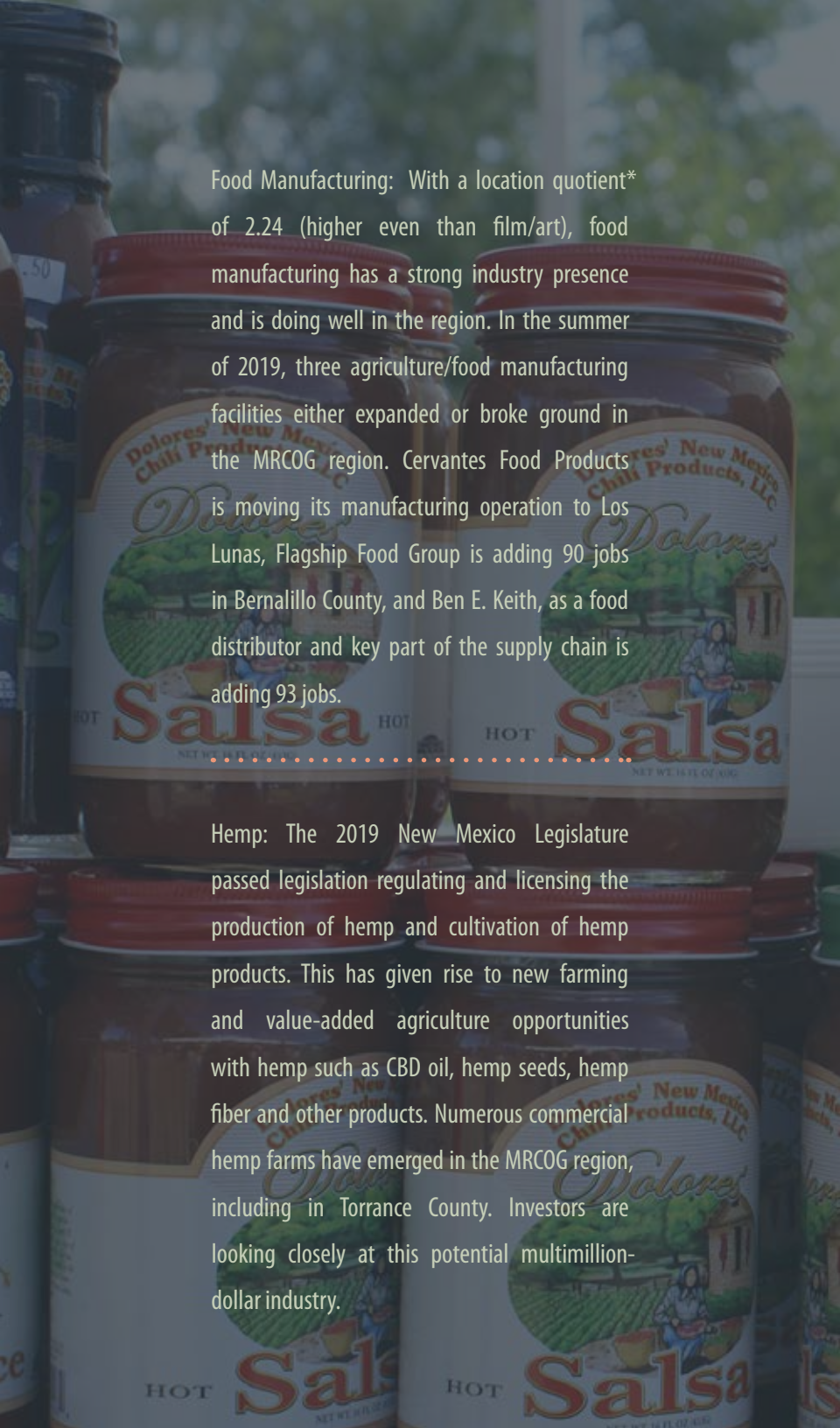
Currently, 48 companies and organizations employ over 2000 people at the SS&TP. Total investment, both public and private is \$389.6M. The SS&TP has paid out \$5.4B in wages and salaries, generated \$3.1B worth of taxable personal consumption, and produced \$123.4M in tax revenue for the State of New Mexico and \$22.5M for the City of Albuquerque since its inception. Average annual salary for each full-time job in the Park is \$98K.

Urban	Science & Technology
<i>Strategies for doing this?</i>	<ul style="list-style-type: none">• Adequately funded centers for excellence• Showcase technologies to encourage better understanding• Create a searchable website for new technologies• Harness the expertise of retirees from the labs• Improve marketing of R&D assets; use these assets to recruit companies and talent• Match talent/training resources to new economy• P3 Legislation• New STEM education programs/workers trained in STEM fields• New technology associations• Connect emerging tech companies with the state's Catalyst Fund• Connect companies to technology jobs and research and development tax credits, and other incentives
<i>How would we know if we were successful?</i>	<ul style="list-style-type: none">• Increased tech transfer/tech licensure• Tech/science employment increase from 14,000• Growth in private sector economy• Increase in numbers and size of technology companies• New contracts with national labs
<i>What are the key metrics?</i>	
<i>Who are the catalysts?</i>	<ul style="list-style-type: none">• Associations of science-based companies; private/public partnerships; federal government; research universities; Innovate ABQ
<i>Who should be accountable for this?</i>	
<i>How do we build resilience in this focus area?</i>	<ul style="list-style-type: none">• More connections to AFRL• Prepare for Federal funding impacts to the labs, etc.• New centers of excellence to address national issues (climate change, water resources)

The impact of local food and agriculture on the economy in this region is significant and growing. The history of agriculture here is long and rich and, indeed, part of the culture of New Mexico. Local farming practices, using acequias to divert water to fields and farms in the valley areas and employing dryland methods in the high plains, make agriculture products especially unique. In addition, consumption of chile products, hot sauce, and international flavors is trending nationwide giving New Mexico, with its chile production and proximity to Mexico, a significant advantage. Food manufacturing is also growing, in part because of a higher than average footprint locally. Finally, new opportunities in agriculture, particularly hemp, are changing the economic landscape.

A robust local food sector helps keep our region unique, and attracts millennials and others who want a place that is distinct. Local craft beer and spirits, many of which use locally-grown ingredients, food trucks, and farmers’ markets also contribute to the scene.

In rural communities, agriculture can be leveraged into agritourism, and a particular product can be used to brand a community (i.e., Moriarty Pinto Beans or Pena Blanca Sunflowers). Finally, for many in the region, agriculture provides the primary income source, and enables them to maintain a rural lifestyle.



Food Manufacturing: With a location quotient* of 2.24 (higher even than film/art), food manufacturing has a strong industry presence and is doing well in the region. In the summer of 2019, three agriculture/food manufacturing facilities either expanded or broke ground in the MRCOG region. Cervantes Food Products is moving its manufacturing operation to Los Lunas, Flagship Food Group is adding 90 jobs in Bernalillo County, and Ben E. Keith, as a food distributor and key part of the supply chain is adding 93 jobs.

Hemp: The 2019 New Mexico Legislature passed legislation regulating and licensing the production of hemp and cultivation of hemp products. This has given rise to new farming and value-added agriculture opportunities with hemp such as CBD oil, hemp seeds, hemp fiber and other products. Numerous commercial hemp farms have emerged in the MRCOG region, including in Torrance County. Investors are looking closely at this potential multimillion-dollar industry.

Urban	Agriculture & Value-Added Foods	Rural	Agriculture & Value-Added Foods
<i>Strategies for doing this?</i>	<ul style="list-style-type: none">• Expand liquor licenses• Develop food hubs to supply institutional buyers, such as government, hospitals, and schools.• Improve supply (to market) chain• Remove barriers & support value added production• Invest in distribution networks• Support national marketing for value-added products, beer, etc.• Support institutional procurement• Follow recommendations in the 2019 Albuquerque Food and Agriculture Action Plan; and Bernalillo County’s Urban Ag Plan	<i>Strategies for doing this?</i>	<ul style="list-style-type: none">• Need statewide support and strategy• Incentives for food manufacturer/producers in a rural area• Access to capital• Better roads and distribution networks• Incentives to value-added agriculture (including hemp)• Positive marketing of NM/regional agriculture products• Support Bernalillo County’s Grow the Grower Program• Utilize LandLink (www.landlinknm.org)• Support companies eligible for rural job tax credits
<i>How would we know if we were successful?</i>	<ul style="list-style-type: none">• Higher ag wages• More jobs• Increase in exported food products• Increase in gross ag revenues• Increased investment in sector• Increased infrastructure• Increased use of existing infrastructure• Able to have primary income from farming• Shift in export/ type of NM agriculture	<i>How would we know if we were successful?</i>	<ul style="list-style-type: none">• NMSU – Cooperative Extension Service• USDA / NMDA Ag Stats• BBER–value added agricultural economic impact survey• Number of economic base jobs created• Number of business starts• Gross domestic product
<i>What are the key metrics?</i>		<i>What are the key metrics?</i>	
<i>Who are the catalysts?</i>	<ul style="list-style-type: none">• New Mexico State University Cooperative Extension• New Mexico Department of Agriculture (NMDA)• USDA Rural Development• City of Albuquerque• Bernalillo County• Legislature / State investments• Non-profits• Commercial kitchens, The Mixing Bowl. Three Sisters Kitchen, and others	<i>Who are the catalysts?</i>	<ul style="list-style-type: none">• NMDA• NMSU – Cooperative Extension Service• USDA Rural Development• Farm Bureau for lending capital• Local Governments
<i>Who should be accountable for this?</i>		<i>Who should be accountable for this?</i>	
<i>How do we build resilience in this focus area?</i>	<ul style="list-style-type: none">• Supply chains, co-packing, food aggregators, food distribution• Sales channel opportunities• Entrepreneurial capital	<i>How do we build resilience in this focus area?</i>	<ul style="list-style-type: none">• Good government policies and regulations, for example water policy• Plan not to exceed capacity (water, market etc.)• Training on how to make a living in the agriculture sector

300 days of sunshine and unlimited wind potential give the region an immense opportunity to leverage energy production and renewable energy into economic growth; not only in the development of wind, solar, and biomass, but also in new energy technology, transmission, and storage.

A strategic focus on renewables can attract key companies and talent, bring collaborative partners together, and result in initiatives like certified sites and other incentives to help create a robust real estate effort and regionwide energy “roadmap.”

Rural communities have enjoyed the payment in lieu of taxes (PILT) benefits from wind and solar projects, jobs, ancillary business development, and the creation of new markets for energy exports.

New Mexico’s Governor and state legislature passed the 100% Clean Energy Bill in 2019 to require 50% renewable energy by 2030, 80% by 2040, and 100% carbon free electricity by 2045. The City of Albuquerque set a goal to power city government with 100% renewable energy in four years.

These new standards, the state’s own natural resources, and new technologies from the National Labs and the state’s research universities give New Mexico a competitive advantage for having a strong focus on renewables, and arguably a lower cost to deliver them.



New wind and solar projects have been coming on line lately as the price of renewables becomes competitive. In August of 2019, Xcel Energy announced a 522-megawatt windfarm on the Eastern side of the state providing 20-30 full-time jobs and \$900 million of investment.

A report from the Solar Energies Industry Association ranked New Mexico 16th for solar installations and put solar-based employment at 2,168 jobs. According to a report in the Albuquerque Business First, the American Jobs Project predicts another 6,800 jobs through 2030 in advanced solar technology.

Urban	Energy / Renewable Energy	Rural	Energy / Renewable Energy
<i>Strategies for doing this?</i>	<ul style="list-style-type: none">• Build a uniform strategy and balanced energy portfolio to transition from oil and gas to renewables• Government takes the lead with green building infrastructure, solar, energy efficiency efforts• Employ PACE (Property Assessment Clean Energy) and other tools to give private commercial businesses incentives for transitioning or deploying renewable energy solutions• Showcase and model new technologies that increase energy efficiency or use of renewables• Support the region as a center of excellence for water technologies, desalination, and energy efficiency• Support renewable energy transmission• Utilize recommendations from NM First’s New Mexico Energy Roadmap• Identify Opportunity Zones and market them to investors	<i>Strategies for doing this?</i>	<ul style="list-style-type: none">• Build transmission lines• Assure that municipalities and rural communities provide private companies with a consistent message and policy framework on renewables• Work with USDA’s Rural Energy for America Program (REAP) to finance projects in rural communities• Use PACE (Property Assessment Clean Energy) as a tool to support rural businesses with a clean transition to solar• Invest in biomass activities• Focus on the manufacturing of renewable components to create rural clean energy jobs• Utilize recommendations from Senator Heinrich’s Solar Toolkit• Identify Opportunity Zones and market them to investors• Support companies eligible for rural job tax credits• Support the alternative energy product manufacturers tax credit, biomass-related equipment deduction, and renewable energy production tax credit
<i>How would we know if we were successful?</i>	<ul style="list-style-type: none">• Jobs created• New industry attracted• Innovation and education in energy• NM receives national recognition for its work in clean energy	<i>How would we know if we were successful?</i>	<ul style="list-style-type: none">• When transmission lines are complete• Increase in in-state renewable projects
<i>What are the key metrics?</i>		<i>What are the key metrics?</i>	
<i>Who are the catalysts?</i>	<ul style="list-style-type: none">• Government—for installations and training• Industry• Lenders—Nusenda Credit Union, etc.• Educators	<i>Who are the catalysts?</i>	<ul style="list-style-type: none">• Local government; State, Governor; FAA/DOD/Air Force: all possible delays/blocks to programs, so need them engaged on board; Association of Counties, leveraged with local plans to guide development
<i>Who should be accountable for this?</i>		<i>Who should be accountable for this?</i>	
<i>How do we build resilience in this focus area?</i>	<ul style="list-style-type: none">• Use the research and development capacity of the region to assure a clean transition to renewables	<i>How do we build resilience in this focus area?</i>	<ul style="list-style-type: none">• Through planning; workforce development (education, technical training); and collaboration in rural communities.

While entrepreneurship isn't an industry sector per se, it is a strong area of focus in this region. Perhaps because we're remote and land-locked or, inversely, because we're so connected along trading routes like the Camino Real, Route 66, the BNSF Railway's Transcontinental Line, entrepreneurship thrives here. We pull ourselves up by our own bootstraps and, more importantly, pull others up too. We support entrepreneurs because we know that local startups are more likely to stay in the community where they were born.

This focus area manifests itself in an effort to support small businesses and individuals through business acceleration, start-up, and incubation. Other means include: transferring our technology out of the laboratories and into the community; assuring adequate access to capital (loans, equity, venture capital), and state and local resources; providing accessible wet and dry-lab space, and tools for prototyping via maker spaces. Finally, and importantly, the region supports new and growing businesses by assuring that the talent pipeline matches the needs of those growing enterprises.

The central belief with entrepreneurship is that we can harness our ingenuity and talent to create businesses that will provide purpose and meaning to the community, and in the meantime create jobs and economic mobility. However, some of our communities and segments of our population have experienced barriers to becoming and participating as entrepreneurs. Some of the issues stem from location barriers (rural vs. urban), and others from demographics (race, gender, class, etc). An important consideration when practicing Inclusive Entrepreneurship is to develop support programs that mirror our communities.

Supporting entrepreneurs means supporting the footloose "Gig workers" jumping from job to job to gain experience in a wide variety of fields but not wedded to one employer. Gig workers are found in the film industry, Information Technology, artisan manufacturing, construction, etc. Rural communities embrace entrepreneurship as it provides new, creative revenue streams and because it provides economic diversification and a buffer against the ups and downs of incumbent industry.

The Indian Pueblo Opportunity Center (IPOC) will be a place where artisans and small farmers can better their crafts in a way that is inspirational, educational and sustainable. The IPOC will be a hub of creativity and opportunity that helps to promote economic and social mobility in a safe environment that nurtures each individual. The combination of inspiring creativeness to provide for economic and social mobility reflects the spirit of the entire IPCC campus located in Albuquerque, New Mexico. The IPOC will be located on land just to the north of the Indian Pueblo Cultural Center, and will blend with the existing campus. It will include gardens and a greenhouse that honor Native foods. A makerspace will include equipment for activities such as: woodworking, jewelry making, and software that is used to create and design. Kilns and an area with pottery wheels will entice artisans to design pottery that is culturally relevant for show or for sale. The food grown can be served in Pueblo Harvest (the restaurant located in the IPCC) or sold in a retail space provided by the IPCC. The IPOC will also house a commercial kitchen.

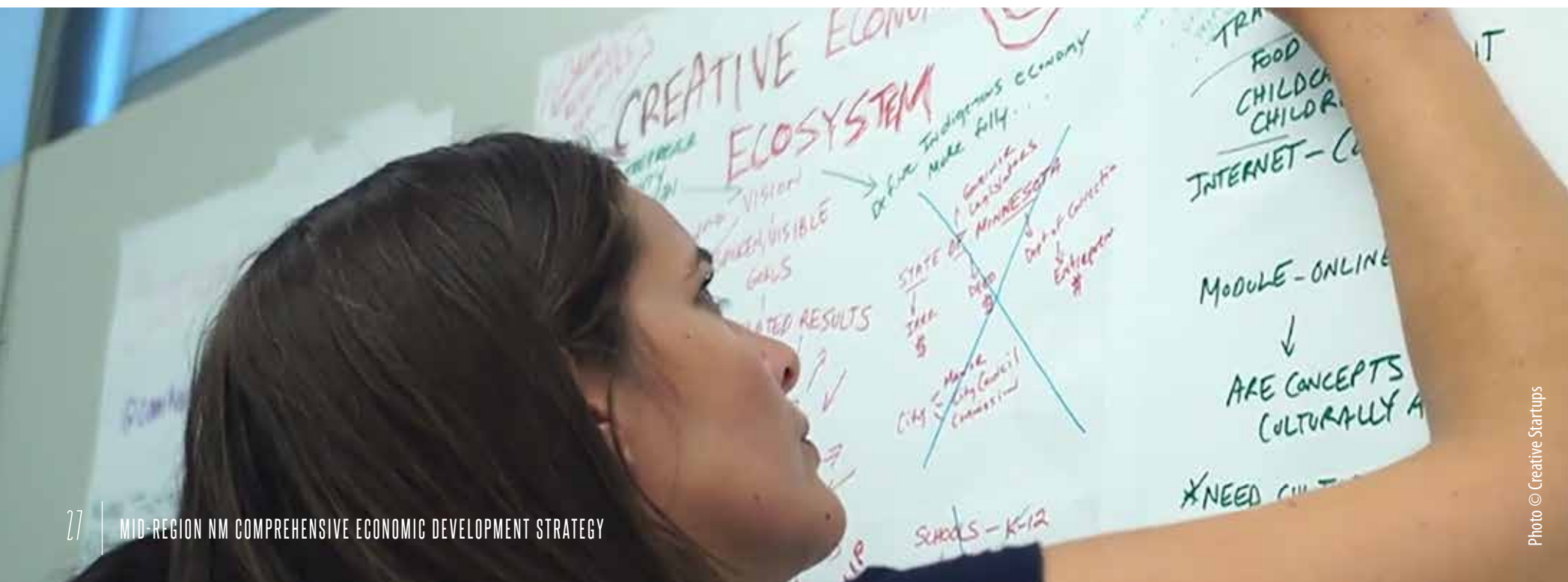
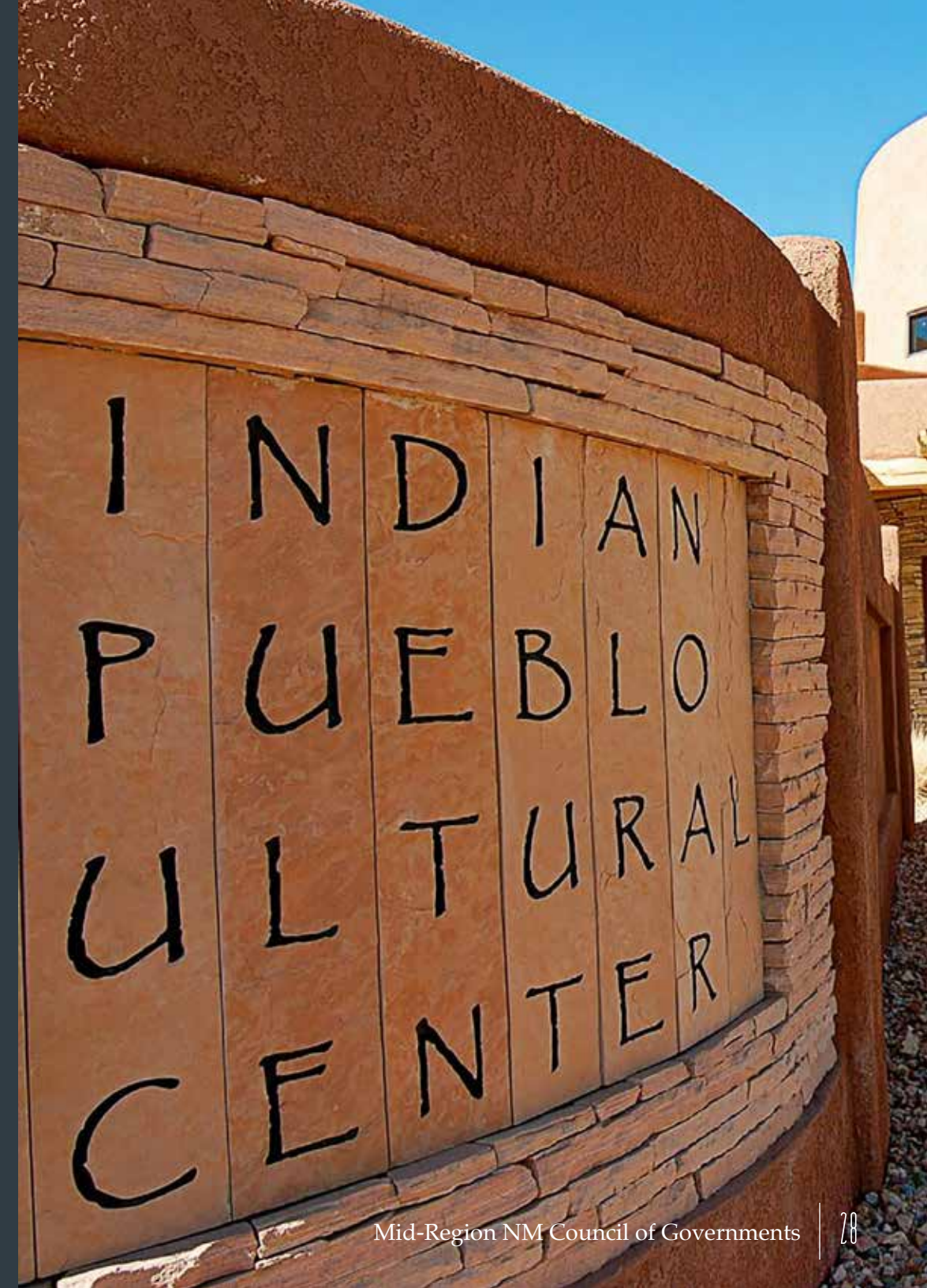


Photo © Creative Startups



Key Partners

- The Mixing Bowl
- Keshet Ideas and Innovation Community
- Innovate ABQ
- Bernalillo County
- La Montanita Coop
- Encuentro
- City Alive
- City of Albuquerque
- Nuesda Credit Union’s Coop Capital
- WESST
- Dreamspring (ACCION)
- ABQid
- Creative Startups
- One Million Cups
- Sandoval Economic Alliance
- The Metro New Mexico Development Alliance
- Central New Mexico Community College
- UNM’s Anderson School, Innovation Academy

Urban

Strategies for doing this?

- Continue to support business incubators with operational funding
- Improve on system to start businesses – navigate the regulation
- Teach and emphasize the Lean Startup Methodology which focuses on quality customer discovery processes
- Develop creation stories that serve to engage new businesses and talent and connect them with supply chains, and global markets
- Address Equity and Inclusion by developing programs by and for people of color, women, and other groups that have had special barriers to entry into entrepreneurship circles (funding, training, networks, etc.).
- Connect eligible businesses to the Catalyst fund and other revenue sources
- Celebrate successful ventures; help them become even more successful and stay in the community
- Market the state to millennials and talent in neighboring expensive markets
- Continue to support place-based economic development to assure a place where creatives and entrepreneurs want to live and prosper
- Support City Alive’s Molino Project, City of Albuquerque Navigators and other programs connecting entrepreneurs with key resources

How would we know if we were successful?

- Amount of funding in new enterprises
- A successful monetization
- Number of jobs created; new start-up businesses
- Increase in revenue stream
- The participation of entrepreneurs reflects the composition of the community

What are the key metrics?

Who are the catalysts?

Who should be accountable for this?

- Municipalities
- NMEDD – catalyst fund
- Incubators
- Universities/community colleges
- National Laboratories
- Private enterprise

How do we build resilience in this focus area?

- Keep priming the pump with education, funding, and marketing
- Create a forum in which we can listen to and learn from the entrepreneurs themselves

Entrepreneurship

Rural

Strategies for doing this?

- Increase and improve access to broadband
- Branch campuses to offer entrepreneurship training for rural residents
- Workforce training/development in rural communities

How would we know if we were successful?

What are the key metrics?

- Promote programs by WESST, Creative Startups and others working to distribute programming into rural New Mexico
- Engage with NMSU’s Arrowhead Center to learn how it lifts up rural entrepreneurs
- Microlenders provide office hours in rural communities
- Increase in revenue/taxes
- New jobs in rural communities
- Population growth and retention

Who are the catalysts?

Who should be accountable for this?

- The private sector
- Public support
- Educational institutions
- Local economic development entities
- Incubators

How do we build resilience in this focus area?

- Diversify the overall economic base

Entrepreneurship

Health Care is by far the largest and fastest growing sector in the MRCOG region. With nearly 17% of all jobs in the region (over 67,000 workers) and a 2.8% growth rate, the health care sector does not look like it will slow any time soon. Additionally, the population is trending towards higher numbers of seniors aged 65 and up leading to a greater need for health services.

Much of the health care legacy was established a century ago when this region was a center for tuberculosis treatment; however, while a robust system thrives in the cities, today’s rural communities have vastly different access to health care with most of rural New Mexico considered a health care provider shortage area. This demand puts a strain on existing resources and highlights the need for workforce training and new service delivery methods like full-service clinics and remote services like Project ECHO.

Project ECHO

The University of New Mexico’s Extension for Community Healthcare Outcomes (ECHO) is a collaborative model of medical education and care management that empowers clinicians everywhere to provide better care to more people, right where they live. The ECHO model™ does not actually “provide” care to patients. Instead, it dramatically increases access to specialty treatment in rural and underserved areas by providing front-line clinicians with the knowledge and support they need to manage patients with complex conditions such as: hepatitis C, HIV, tuberculosis, chronic pain, endocrinology, behavioral health disorders, and many others. (<https://echo.unm.edu/about-echo>)

First Choice Community Healthcare

A community-oriented and patient-centered organization, First Choice Community Healthcare, with two locations in the MRCOG region, is a wrap-around service provider meeting the needs of resident in Bernalillo County’s South Valley and East Mountain areas. First Choice provides access to high quality integrated primary medical services (medical, dental and behavioral health) and is actively involved in the training and development of the future health care workforce. Addressing other social determinants of health, First Choice hosts a community garden, holds cooking classes, and maintains partnerships with local growers through a farm share food box delivery program. First Choice provides its full suite of health care services to residents regardless of income level.

Urban	Health	Rural	Health
<i>Strategies for doing this?</i>	<ul style="list-style-type: none">• Build a pipeline of health professionals through tools like education loan forgiveness, etc.• Expand education systems and training for all health care professionals specially nurse practitioners and Physician Assistants• Create a medical tourism program that expands demand for services and brings in new revenue• Support project ECHO and other remote services	<i>Strategies for doing this?</i>	<ul style="list-style-type: none">• New health care facilities in rural areas• Create opportunities for providers to deliver services in remote areas (rural, tribal) not otherwise offered• Programs that focus on prevention, healthy eating, cooking classes, prescription trails, etc.• Apprenticeships for health care workforce in rural clinics• Mobile care delivery units• Use Project ECHO to address opioid crisis• Additional clinics like First Choice Community Health Care• Support companies eligible for rural job tax credits
<i>How would we know if we were successful?</i>	<ul style="list-style-type: none">• People can access a primary care physician• More physicians available• Health care sector jobs are growing• Workforce training increases	<i>How would we know if we were successful?</i>	<ul style="list-style-type: none">• Health indicators point to healthier residents• Rates of hospitalizations, communicable diseases decrease
<i>What are the key metrics?</i>		<i>What are the key metrics?</i>	
<i>Who are the catalysts?</i>	<ul style="list-style-type: none">• Educational Institutions, State of NM, Private hospitals; First Choice Community Health Care	<i>Who are the catalysts?</i>	<ul style="list-style-type: none">• Elected officials; training providers, CNM, UNM
<i>Who should be accountable for this?</i>		<i>Who should be accountable for this?</i>	
<i>How do we build resilience in this focus area?</i>	<ul style="list-style-type: none">• Focus on wellness and preventative care	<i>How do we build resilience in this focus area?</i>	<ul style="list-style-type: none">• Health education• Preventative services• Health fairs• Immunization clinics• Co-op Health Insurance

Whether it is skiing, fishing, hiking, biking or camping, Recreation Tourism is an important and accessible tool for urban and rural communities, especially those in the MRCOG region. With three state parks, the Jemez Mountains Scenic Byway, the Cibola National Forest and National Grasslands, and the Sandia and Manzano Mountains, the MRCOG region is a playground waiting to be explored.

In addition to the resources abundant in the region, the economic returns from utilizing the public lands and outdoor spaces is significant. According to the Bureau of Economic Analysis, outdoor recreation economy accounted for 2.2 percent of current GDP in 2016 and employment in the sector grew faster than the overall economy that year. A report from Outdoor Industry put the New Mexico economic returns from outdoor recreation at \$9.9 billion with 99,000 direct jobs.

In the 2019 Legislative Session, Governor Lujan Grisham signed a bill creating an Outdoor Recreation Division of the Economic Development Department touting its untapped potential as an economic engine for New Mexico’s economy.

Tourism or visitor-related activities in general are an important source of economic revenue in the region and throughout the state. In 2017, the state saw \$6.6 billion of economic impact. In the metro region, tourism includes visits to monuments and museums, conventions, hotel stays, as well as cultural visits, ecotourism, and outdoor recreation. The region has also begun to look at medical tourism and other special-purpose tourism, such as film-centric tourism, music festivals, and other attractors.

In rural communities, the region has an opportunity to capitalize on its outdoor assets: mountains, rivers, mesas; and the endless activities one can pursue, like skiing, rafting, and horseback riding, to name a few. New opportunities include golf, yoga/spa/natural beauty retreats, soccer/softball and other sports tourism.

Medical tourism draws patients with medical needs to our world class medical facilities, connects them with extended stay hotel options, and introduces them to all attractions the region has to offer.

In 2018, the region employed nearly 12,000 workers in tourism-sector jobs or nearly 3 percent of all workers in the four-county region.



Urban	Tourism	Rural	Tourism
<i>Strategies for doing this?</i>	<ul style="list-style-type: none">• Create visitor experiences and map/market them• Develop a coordinated cultural corridor that includes visitor sites throughout the region. Co-market the corridor• Preserve cultural assets and promote environmental stewardship that enhances the outdoor experience• Coordinated transportation and expanded infrastructure opportunities• Build on health/medical tourism models to attract visitors for medical procedures and/or for natural therapeutic approaches• Create a wellness hub for visitors to get information about services and accommodations• Improve softball facilities, develop a downtown soccer stadium, and other facilities that draw visitors for specific sports• Coordinate with new Department of outdoor recreation for youth participation and expanded infrastructure• Support a stadium in Albuquerque for the NM United soccer team• Support Albuquerque studio tours• Support additional direct flights to Albuquerque	<i>Strategies for doing this?</i>	<ul style="list-style-type: none">• Identify outdoor opportunities and market them through the New Mexico True Campaign• Promote local attractions/recreational opportunities outside the urban core• Preserve cultural assets and promote environmental stewardship that enhances the outdoor experience• Support the expansion of outdoor recreation infrastructure in rural areas• Support youth participation in outdoor recreation• Connect business travelers, concert/festival goers, to recreational opportunities in rural areas• Support companies eligible for rural job tax credits
<i>How would we know if we were successful?</i>	<ul style="list-style-type: none">• Increase in visitors to key events such as the Balloon Fiesta, tournaments, concerts, monuments, and museums.• Hotel stays	<i>How would we know if we were successful?</i>	<ul style="list-style-type: none">• Measuring number of visits• Revenue increases
<i>What are the key metrics?</i>		<i>What are the key metrics?</i>	
<i>Who are the catalysts?</i>	<ul style="list-style-type: none">• Cultural corridor partners• Hotels• NM Rail Runner/Rio Metro Transit• City Cultural Services/NM Dept of Tourism	<i>Who are the catalysts?</i>	<ul style="list-style-type: none">• State tourism office• State economic development• Outdoor recreation department at the state• Communities• Local champions
<i>Who should be accountable for this?</i>		<i>Who should be accountable for this?</i>	
<i>How do we build resilience in this focus area?</i>	<ul style="list-style-type: none">• NM True brand• Market the region as ABQ/Health & Wellness Hub	<i>How do we build resilience in this focus area?</i>	<ul style="list-style-type: none">• Ensure outdoor recreation is a local government priority• Support from all levels of government

Leveraging Strengths: From SWOT to Strategies

The goal of the Comprehensive Economic Development Strategy is to develop actionable strategies that can be implemented in the MRCOG region that will promote (and protect) economic health over the next five years. In the planning session local experts identified the regional strengths, weaknesses, opportunities, and threats. In looking at the SWOT data, MRCOG and advisors looked for areas and resources that provide a sustained competitive advantage when compared with what other states and regions offer. Below are those that stood out in the context of existing and emerging opportunities for the MRCOG region and strategies that leverage information from the SWOT.

Leveraging Unique Strengths

Resources	Valuable	Rare / Unique	Not Easily Imitated
Open spaces / low cost, available land	X	X	X
Access to federal R&D — IP & expertise	X	X	X
Scenic beauty of the high desert — e.g., mountains, forests, & rivers	X	X	X
Unique history & culture / experiences	X	X	X
Unique agricultural products & foods	X	X	X
Abundance of sun & wind	X	X	X

The strategies on the next page are less sector specific and more focused on how the regional strengths might be leveraged to create greater impact across a variety of business sectors. All data presented below were collected during the CEDS sessions and in interviews with attendees.



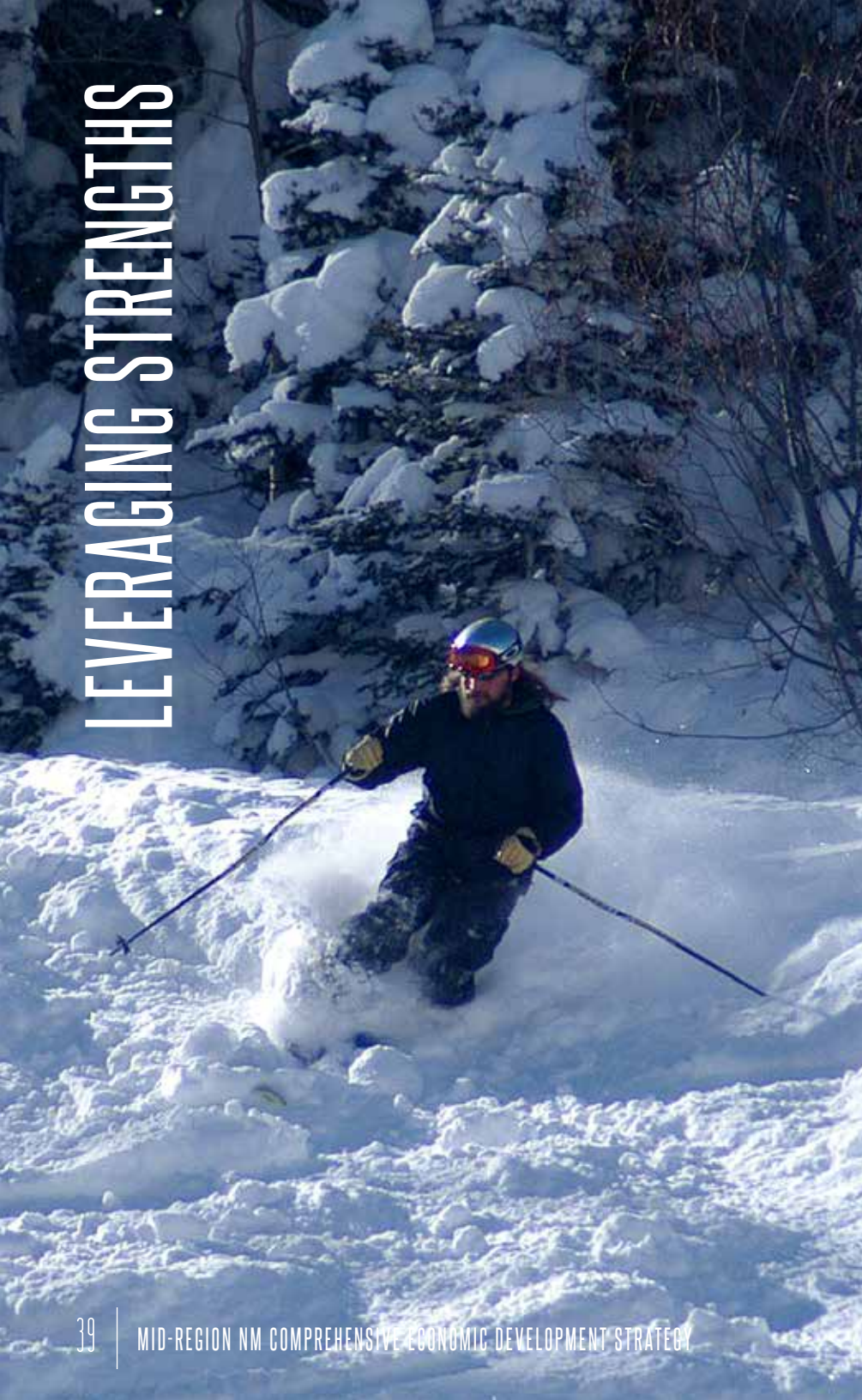
Land, open spaces

Opportunity	The region has an abundance of open, less densely populated land areas in the proximity of a major metropolitan area. These lands tend to be both available and less costly than those in competing regions. Open spaces offer areas to do vehicle and systems testing that otherwise would be difficult in the urban core.
Targets / Beneficiaries	<ul style="list-style-type: none">• Open lands offer a distinct advantage to companies who need open spaces to innovate and test products for industries like e-mobility (e.g., self-driving vehicles) and aerospace.
Strategies	<ul style="list-style-type: none">• Provide existing companies with business assistance & access to local R&D• Lobby for incentives that would foster these businesses• Define the supply chain & grow industry suppliers locally• Develop a list of land & facilities available regionally that meet the needs of these firms & their suppliers
Catalysts	<ul style="list-style-type: none">• Assistance providers and business support. Examples include the Small Business Development Centers (SBDC), UNM's Science and Technology Center (STC), incubators like the WESST, and Sandia's Small Business Assistance Program.• Access to federal R&D facilities and expertise that are not available to other places.
Measures of success	<ul style="list-style-type: none">• New jobs created• New businesses started• Emergence of new support industries• Growing revenues for new & existing firms
Resilience factors	<ul style="list-style-type: none">• Moderate weather and low risks of natural disaster that minimizes potential business disruptions & lost production time• Continue workforce development initiatives• Forecast / foresight on what technologies will be needed in the future



Federal and state R&D facilities offering assistance & intellectual property		Unique agricultural & local food products in growing national demand	
Opportunity	Access to federal R&D facilities and expertise that are not available to other places. The federally funded laboratories make their intellectual property and expertise available to New Mexico businesses. There is also a defense industry presence in the region. The University of New Mexico (UNM) is another regional source of intellectual property.	Opportunity	Distinctive agricultural products & foods that are finding increasing demand in others places in the US & the world.
Targets / Beneficiaries	<ul style="list-style-type: none">• Aerospace• Energy / Renewable energy• Information technology (IT)• Manufacturing• Entrepreneurs / Small business (procurement, assistance)	Targets / Beneficiaries	<ul style="list-style-type: none">• Restaurants • Local food growers / food producers• Food distribution network • Craft beer makers• Society / Community (food security & health)• Manufacturers (value-added agriculture) • Tourists• Anyone else including marketers, irrigation systems
Strategies	<ul style="list-style-type: none">• Sustained & well-funded centers for excellence• Make the developed technologies more visible & better understood• Improve the New Mexico site for searching for new technologies• Grow the workforce, matching talent/training resources to new economy• Build a coalition / association of companies / science-based companies• Promote private / public sector partnerships	Strategies	<ul style="list-style-type: none">• Need statewide support and strategy• Incentives for food manufacturer/producers in a rural area• Remove barriers & support value added production• Training on how to make a living in agriculture• Support institutional procurement• Aggregate for intuitional supply (coops, hubs) • Invest in regional food hubs• Invest in distribution networks • National marketing for VAP, beer, etc.• Expand liquor licenses
Catalysts	<ul style="list-style-type: none">• Private, science-based companies• Sandia National Laboratory / Los Alamos National Laboratory• Air Force Research Laboratory• UNM — Science and Technology Center• UNM Hospital• Rainforest	Catalysts	<ul style="list-style-type: none">• CABQ / municipal • Community Kitchens • Farm Bureau (access to capital)• Federal laboratories • Industry agencies • Legislature / State investments• MRCOG • NMDA • NMSU-Cooperative Extension Service • Non-profits • USDA RD
Measures of success	<ul style="list-style-type: none">• Increased tech transfer from Labs to private sector• Tech/science employment increasing• Relative growth private sector to governments sector• Private vs. public sector growth• Increased number of science/tech companies• ESTT program being utilized more	Measures of success	<ul style="list-style-type: none">• Number of business start-ups • Higher ag wages• More jobs / number of economic-base jobs created• Increase in exported food products • Increase in gross ag revenues• Increased investment in sector• Increased infrastructure / increased use of existing infrastructure• Able to have primary income from farming / for workers• Shift in exports / type of NM agriculture• Agency reports / publications<ul style="list-style-type: none">• NMSU- cooperative extension• USDA / NMDA ag stats• BBER-value added agricultural economic impact survey
Resilience factors	<ul style="list-style-type: none">• More connections / access to the National Laboratories• Create and market our service industry to R&D organizations• Build a better support ecosystem• Have a plan for reduced Federal funding impacts to the labs	Resilience factors	<ul style="list-style-type: none">• Economic development strategy for food manufacturing<ul style="list-style-type: none">• Buy-in that value-added agriculture is a viable economic sector (incentives, etc.) (including hemp)• Plan not to exceed capacity (water, market, etc.)• Good government policies and regulations, for example water policy• Grow supply chains, co-packing, food aggregators, food distribution• Expand sales channel opportunities• Access to capital for ag entrepreneurs• Training on how to make a living in agriculture• Positive marketing





LEVERAGING STRENGTHS

Scenic Beauty & Unique Culture / History		Abundant Sun & Wind Resources	
Opportunity	The region has a variety of outdoor recreational opportunities & unique cultural experiences. These locational amenities can draw people to the state as tourists or new residents and improve the quality of life for residents.	Opportunity	An abundance of sun and wind that can be tapped to generate clean forms of energy.
Targets / Beneficiaries	<ul style="list-style-type: none">Hotels (currently underutilized)Air BNB'sRestaurantsPossible relocation from other states / regions of New MexicoNew industries to support outdoor recreation service, retail, & manufacturingThe local communitiesThe state-tax revenues, tourism draw	Targets / Beneficiaries	<ul style="list-style-type: none">Renewable energy companies / Local small businessesNM citizens – could be a lower overall cost for energy in NMAttracts new commercial & industrial companiesCounty governments and services (EMT, fire)Local, rural school districtsNM gets to benefit from growth of states we export energy to
Strategies	<ul style="list-style-type: none">Create experiencesBetter facilitiesNeed more transportationCatalog of natural medical/health approaches in ABQ MSAImprove sports facilitiesDept of outdoor recreationStadium four NM UnitedAdditional direct flightsAdvertising/education on attractions/recreational opportunitiesPhysically connect people to recreational opportunitiesCommunities can work with COG to access resources	Strategies	<ul style="list-style-type: none">Build a uniform strategy to transition & continue building these energy sectors so they aren't killing each otherBuild future governmental agency collaboration, communication and synergy. This will alleviate list of private companies trying to navigate shifting government agenciesBuild transmission linesGovernment policies to support renewable energy production<ul style="list-style-type: none">Incentives may be needed from governmentsMake it a priority for all-all government agencies, with educational piece
Catalysts	<ul style="list-style-type: none">State tourism officeState economic developmentOutdoor recreation division at the stateCommunities must take the lead, identify local champions	Catalysts	<ul style="list-style-type: none">Governments & industry working togetherAs this develops include educatorsEconomic development agenciesRETA, MRCOG, governorFAA/DOD/local air force bases: all possible delays/blocks to programs, so need them engaged on boardAssociation of Counties, leveraged with local plans to guide development
Measures of success	<ul style="list-style-type: none">Look at industry health (e.g., growth, revenues, employment)Measuring number of tourist visits	Measures of success	<ul style="list-style-type: none">Jobs created • New industry attractedReducing poverty rate & unemployment rateInnovation & education in energy • Nationally recognizedWhen transmission lines are put inWhen timetable for transmission project producesIncrease in in-state renewable projects
Resilience factors	<ul style="list-style-type: none">NM True brandABQ/Health & Wellness HubEnsure projects are a local government prioritySupport from all levels of government	Resilience factors	<ul style="list-style-type: none">Building unity in this developmentAid in the evolution of the development of energy-stay at the forefront with R&DPlanning • Workforce development: education, technical trainingBuild collaboration in rural communities





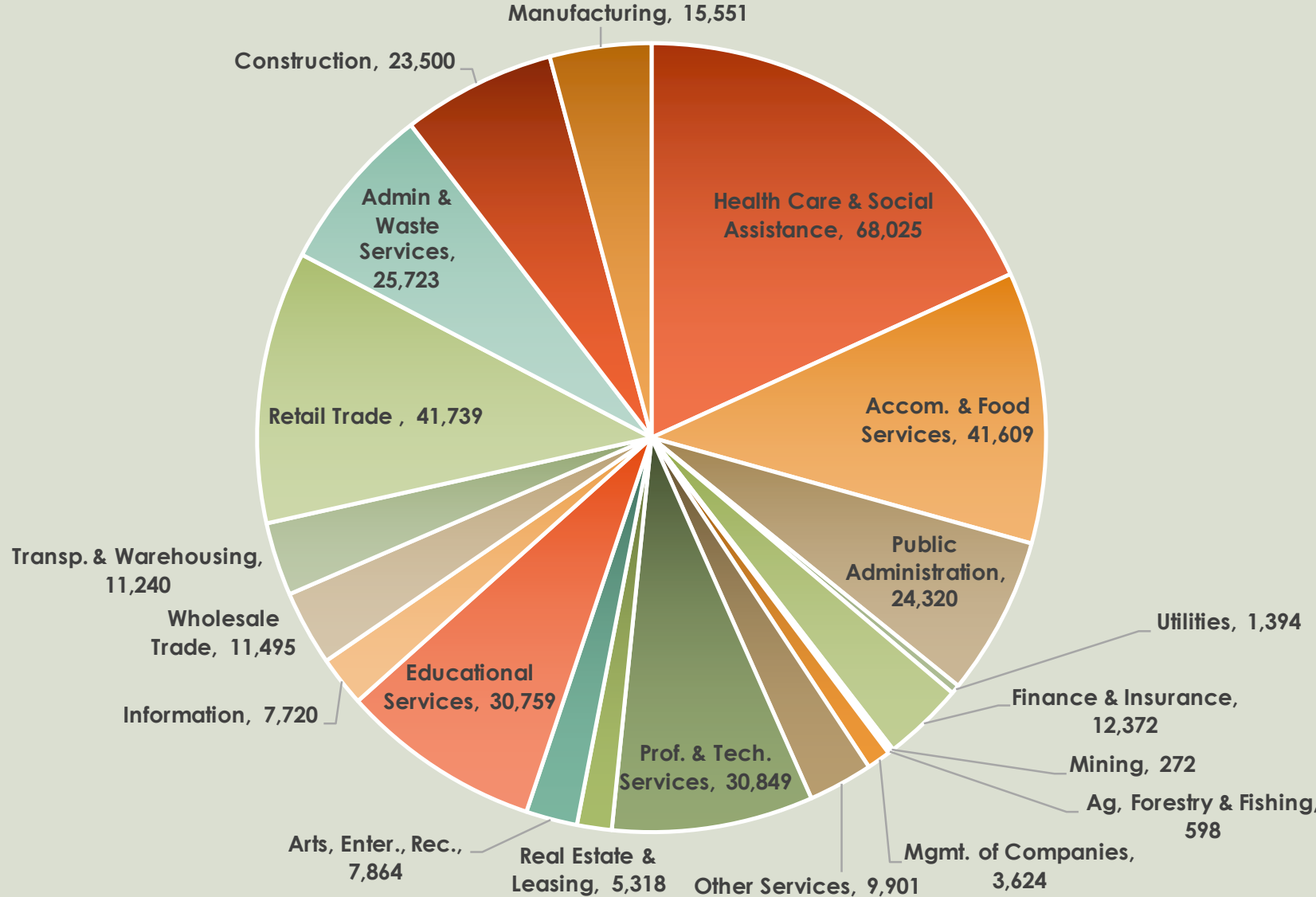
Other Ideas to Promote Vibrancy

The Region Needs a Unique Brand		“Sticky” Communities Can Retain Population & Reduce Brain Drain	
Opportunity	One of the common themes that emerged in both the metro and the rural sessions was a lack of a unique identity and the perception of a negative mindset about the region and its residents. There was a common thread about the lack of a shared, positive story to describe the MRCOG region and how the development of a distinct regional story could be used as a regional branding tool.	Opportunity	One of the more interesting proposals raised was thinking about ways to make the region & its communities “sticky.” Making an area sticky highlights factors that make a community a great place to live and work. One objective is to make area residents feel valued as members of the community and as employees of local businesses. Likewise, it involves making local businesses feel welcomed and appreciated. At its core, stickiness is a social capital strategy that grows a sense of belonging and increases the commitment to a community. The payoff for creating sticky communities is in retaining the community’s people and businesses.
Targets / Beneficiaries	<ul style="list-style-type: none">• All businesses & regional residents	Targets / Beneficiaries	<ul style="list-style-type: none">• All businesses & regional residents
Strategies	<ul style="list-style-type: none">• Build a story that spins the MRCOG region in a more positive light• Rekindle & revitalize previous attempts at brand development• Promote the new brand with regional leaders	Strategies	<ul style="list-style-type: none">• Define community stickiness factors (e.g., great places to live & work)• Collect stories of those who have chosen to stay & tell these stories• Teach leaders, business owners, & residents about how they can help make their community sticky• Provide community events like pancake breakfasts, farmers’ markets, school events and other intangibles that create cohesiveness
Catalysts	<ul style="list-style-type: none">• MRCOG, Innovation Hub creation team• Champions from the region who could develop and promote a distinct story / meme• Stop bagging, start bragging campaign• Tourism, New Mexico True campaign	Catalysts	<ul style="list-style-type: none">• Local government, business leadership, & interested residents• Local & regional economic development agencies• Local & regional media agencies
Measures of success	<ul style="list-style-type: none">• Formed team of champions that meets regularly to develop brand• Brand that tells the regional story• Evidence of use in promotional materials, news stories, conversations, etc.	Measures of success	<ul style="list-style-type: none">• Indications of increased pride in the community, perhaps something like a Net Promoter Score that is tracked regularly• Retention (& growth) of populations like families, millennials, & working-age adults• Increases in workforce retention & job satisfaction



Photo © Louis Bledsoe

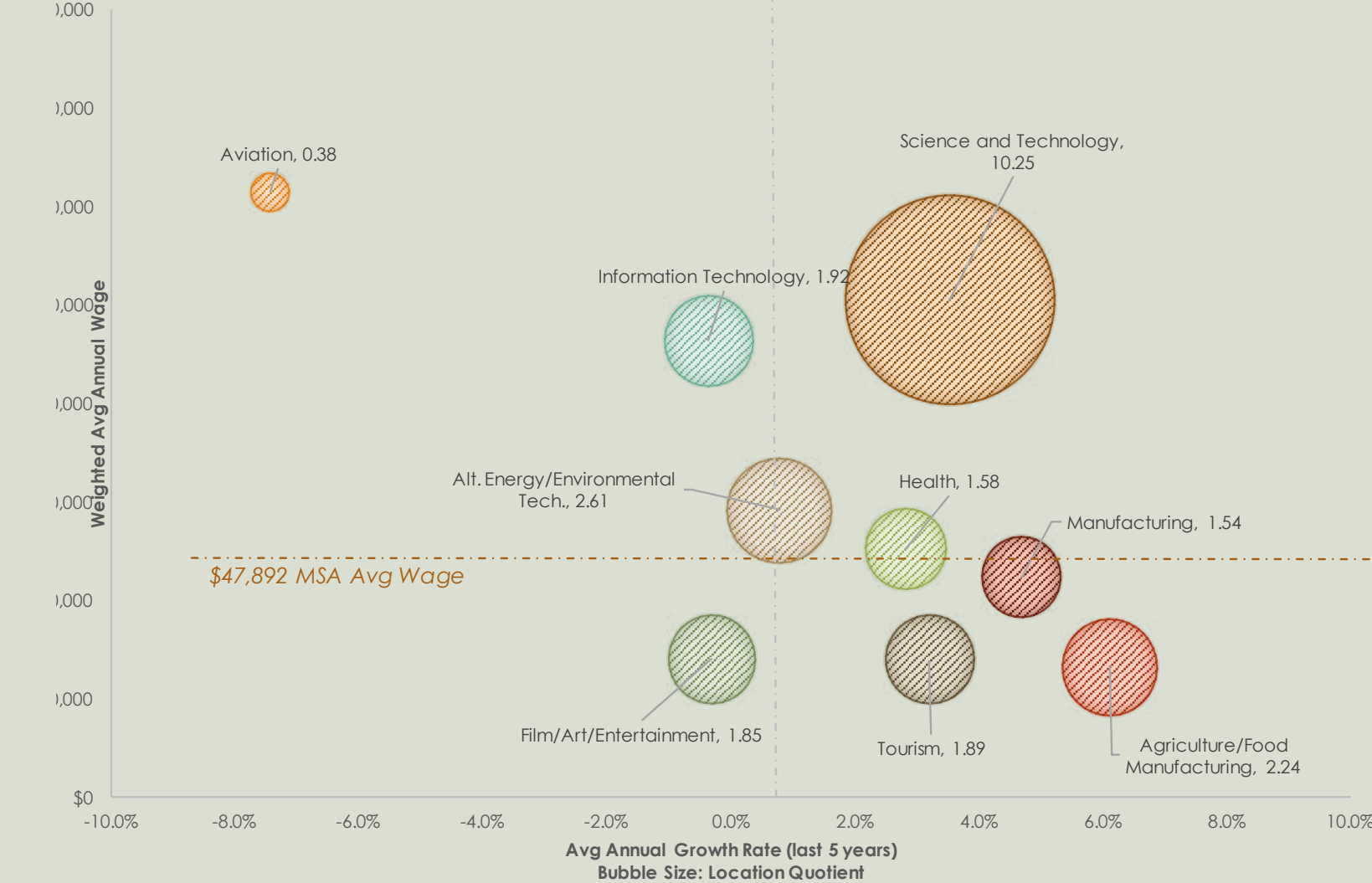
While each focus area has a set of strategies and measures, the bottom line is job growth and an increase in average wages. The MRCOG will track this on an annual basis through new business growth and wage data.



Source: JobsEQ Economic Overview Albuquerque, NM MSA 9/18/19

ALBUQUERQUE METRO AREA JOB CLUSTERS, 2018

Source: Jobs EQ, MRCOG



Source: Jobs EQ, MRCOG

Methodology: Data Collection for the 2020 CEDS Plan

The MRCOG gathered input from the community for the 2020 CEDS through a ten-question survey, and through two public meetings in May and June of 2019. The survey, together with advice and guidance from a subcommittee of MRCOG Board members, helped to shape the development of the larger public meetings.

The first public meeting, held on May 22, 2019 was focused on issues relevant to the urban areas of the COG region. A second session was held on June 4, 2019 to gather perspectives on issues germane to those in the rural regions of the COG.

There were three stated goals for the sessions: 1. Update the SWOT (Strengths, Weaknesses, Opportunities, Threats) developed in the 2015 CEDS; 2. Review the 10 focus areas from the 2015 CEDS and update these strategies to reflect current conditions; and 3. Apprise how proposed approaches create and enhance regional resilience.

MRCOG staff and subject matter experts provided participants with information from the 2015 CEDS, recently collected survey data on industry progress, current economic and demographic data, and information on emerging national and local trends that might influence industry composition in the region. Trending topics included how an increase in electric cars might impact oil and gas revenues, how the state’s labor force participation rates can dampen its economic potential, and how the growing “gig economy” might influence workforce planning and social policy.

Armed with this background information, MRCOG asked each table of participants to review, update, and append the SWOT and report out unique findings.

In the same manner, MRCOG asked participants to discuss key focus areas as table groups. In the Metro session, MRCOG assigned each table one of the ten focus areas from the 2015 CEDS and asked the groups a series of questions for that focus area. As there were five tables, MRCOG conducted a second round.

In the Rural session, MRCOG facilitated a “dot voting” method to narrow the list down to five focus areas. The top five were Local Food/Agriculture, Tourism/Outdoor Recreation, Energy/ Renewable Energy, Health Care, and Entrepreneurship.

The questions were:

- 1. Why should we be doing this? What is the compelling reason(s) for focusing on this particular area?
- 2. Who benefits & what are the potential payoffs for the region? Short-term, longer-term?
- 3. List 3 or 4 actionable strategies to make this happen.
- 4. How will we know if we are successful? What are the key metrics?
- 5. Who should be doing this? Who is the catalyst? Who should be accountable?
- 6. How do we build resilience in this area?

MRCOG staff and consultant Bob Grassberger collected, entered, and reviewed all data. Additionally, MRCOG reviewed data to identify strategies and present, discuss, and revise with a select group of MRCOG advisors.

Special Thanks to our CEDS Advisory Board:

Connie Beimer	University of New Mexico
David Carlberg	Valencia County
Karen Dunning	Middle Rio Grande Conservancy District
Dave Heil	Sandoval County
Mary Homan	Village of Los Ranchos de Albuquerque

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John Freisinger	Innovate ABQ	John Mierzwa	Ingenuity Software Labs	Julia Youngs	Creative Startups

Coordination with other plans:

State of NM/Governor Michelle Lujan Grisham’s Economic Development Priorities:

- Aerospace and Defense
- Biosciences
- Cybersecurity
- Film and Television
- Global Trade
- Intelligent Manufacturing
- Outdoor Recreation
- Sustainable and Green Energy
- Sustainable and Value-Added Agriculture

City of Albuquerque Industry Clusters:

- Aerospace and Aviation
- Solar Technologies
- Microsystems and Nanotechnology
- Semiconductors and Electronics
- Directed Energy and Optics
- Bioscience
- Information Technology and Software
- Film/Digital Media
- Media Industries
- Technology Programs

City of Albuquerque Strategies:

- Increment of one—business growth and expansion
- Buy local—focus on procurement
- Smart recruitment—focusing on areas where we have a competitive advantage (directed energy, photonics, biomedical research, development and manufacturing, software development, and Tribal enterprises).
- International Business—Trade
- Creative Economy—Film and the Arts
- Placemaking—public spaces, events that make the city unique

The Workforce Connection of Central New Mexico’s Priority Industries:

- Healthcare
- Information Technology

Emerging Industries in each County:

- Bernalillo: Film and Digital Media
- Sandoval: Advanced Manufacturing
- Valencia: Distribution Centers
- Torrance: Renewable Energy

The 2040 Metropolitan Transportation Plan for the Albuquerque MSA:

- Economic Development Prioritization Process
- Freight Logistics Committee
- Target Scenario Coordination

City Alive Goals:

- Adding 10,000 net new jobs by 2024
- Reducing unemployment to 4.5% by 2024
- Increasing median weekly wages to \$932 by 2024 with a focus on racial and economic equity.
- Assisting entrepreneurs
- Assisting businesses start, add jobs, and grow revenue

City of Rio Rancho/Sandoval County Economic Priorities:

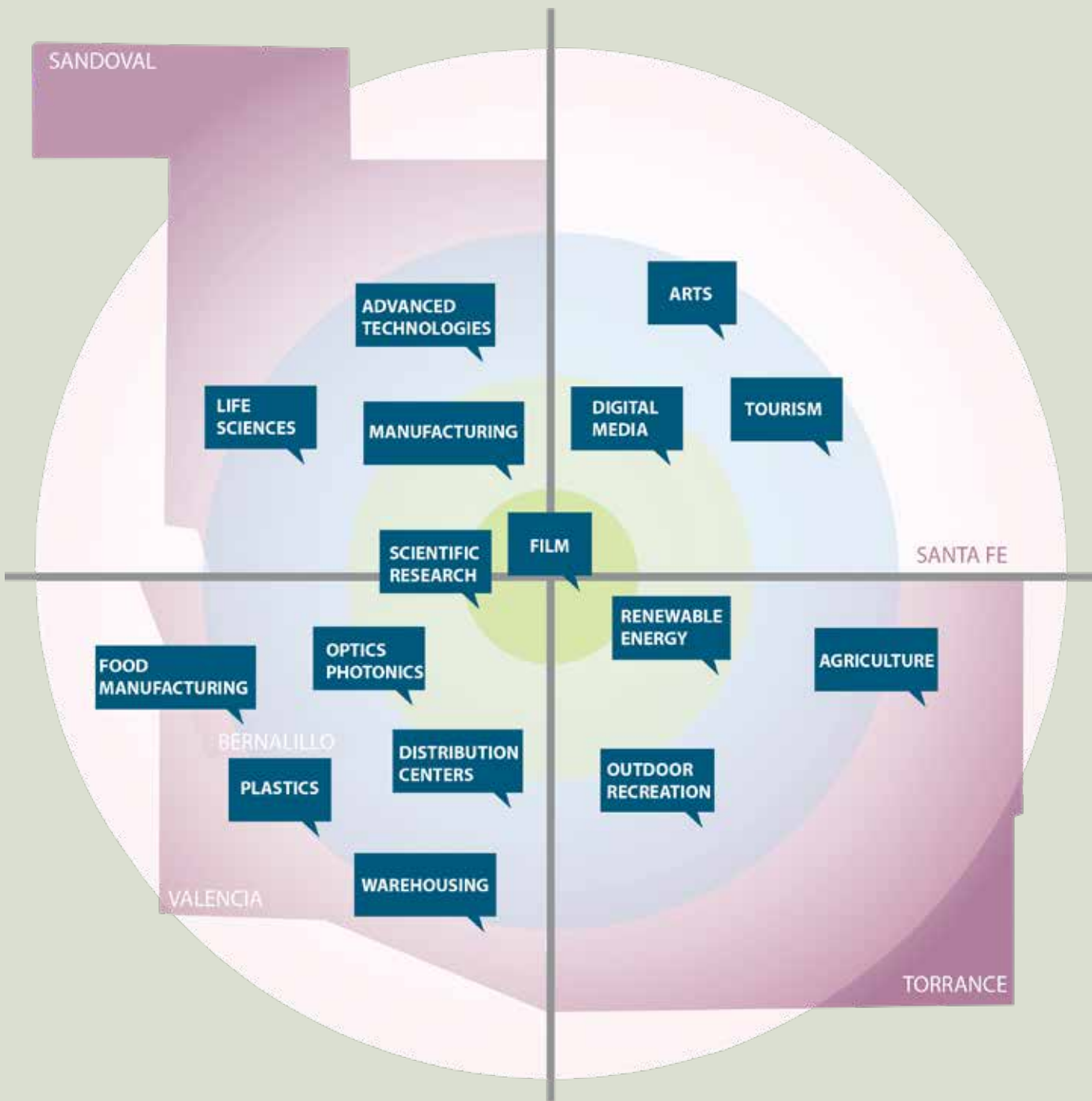
- Life Sciences
- Professional Services and Support
- Advanced Technology and Manufacturing

Recommendations from the MRCOG’s Transportation and Logistics Hub Study:

- Warehousing/Distribution
- Food Manufacturing
- Aerospace Manufacturing
- Automotive/E-Mobility
- Photonics/Optics Manufacturing
- Plastics

Stronger Economies Together (SET) Plans:

- Bernalillo, Los Alamos and Sandoval Counties
- Sierra, Socorro, Valencia and Catron Counties





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